

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 010544
ORIGIN COME-00

INFO OCT-01 EUR-12 NEA-10 ISO-00 EB-07 XMB-02 AGRE-00
TRSE-00 CIAE-00 INR-07 NSAE-00 (ISO) R

DRAFTED BY COMM/BIC/OED/SIPS/JTHARDISTY/SG
APPROVED BY EB/OCA/CE:EMSACCHET
COMM/BIC/OED/SIPS/SSLEON
COMM/BIC/OED/OBOD/RECOHEN
COMM/DIBA/CAGNE/GBECK
COMM/DIBA/BDC/OBRA/JLIEN
STATE/EUR/EE/SFROMOWITZ
EXIM/ROOM 901/AFARINA
NEA/ARN:DEREUTHER

-----180424Z 074069 /73

R 172105Z JAN 77
FM SECSTATE WASHDC
TO AMEMBASSY BELGRADE
INFO USINT BAGHDAD

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E.O. 11652: NA

TAGS: BEXP, YO

SUBJECT: PRODUCT OPPORTUNITY - AGRICULTURAL EQUIPMENT TO
--- PKB

REF: BELGRADE 8518

1. BEGIN UNCLASSIFIED: STRATEGIC INDUSTRIAL PRODUCT
SALES (SIPS) GROUP OF USDOC HAS SPOKEN WITH ROBERT WATT OF
WHITE FARM EQUIPMENT RE REFTEL AND HAS BEEN GIVEN THE
FOLLOWING ACCOUNT OF WHITE'S POSITION. AUSTRIAN AGENT
JANUSCHKOWETZ APPARENTLY CONTRACTED FOR SALE OF 20 UNITS
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TO POLJOPRIVREDNI KOMBINAT BEOGRAD (PKB) AND THEN LEARNED
OF ADDITIONAL 15 UNIT REQUIREMENT FOR IRAQ END USE THAT
PKB WOULD ALSO BE PURCHASING. IT WAS WITH THIS 15 UNIT
ORDER THAT PROBLEMS AROSE INVOLVING FINANCING AND COMPETI-
TION FROM VOLVO. WATT INDICATED THAT HE WAS CONFIDENT THAT
THE TEST DEMONSTRATION OF WHITE EQUIPMENT PROVED THEIR
SUPERIORITY OVER SW-DISH VEHICLES AND THAT WHITE FINANCING

PACKAGE (50 PERCENT DOWN AND 50 PERCENT OVER 5 YEARS) WAS LIBERAL. QUOTATION OF LAST AUGUST HAS BEEN EXTENDED UNTIL FEB. 15 DESPITE TWO PRICE INCREASES OF 7.5 PERCENT AND 5 PERCENT RESPECTIVELY SINCE THEN. WATT FEELS THAT PKB MUST MAKE DECISION BY END OF JAN. IN ORDER TO TAKE

DELIVERY FOR SPRING HARVEST. BECAUSE OF THIS TIME ELEMENT NO EFFORT HAS OR WILL BE MADE BY HIM AT THIS TIME TO APPROACH EXIM. END UNCLASSIFIED.

2. BEGIN LIMITED OFFICIAL USE: WATT INFORMED SIPS THAT, ALTHOUGH ORDER WAS NOT FIRM, PRODUCTION HAS ALREADY BEEN SCHEDULED FOR THESE UNITS. HE INDICATED THAT IF YUGOSLAVS CHOSE VOLVO BECAUSE OF FAVORABLE FINANCIAL PACKAGE, HE WOULD BE SURPRISED BUT FELT THAT NO FURTHER STEPS COULD BE TAKEN BY WHITE, BECAUSE OF PRICE AND TERMS ALREADY OFFERED. WATT WAS GIVEN WALKER'S NAME, ADDRESS AND PHONE NUMBER AT U.S. - YUGOSLAV ECONOMIC COUNSEL AND ENCOURAGED TO CONTACT HIM. ALL DURING CONVERSATION WITH SIPS, WATT EXPRESSED COMPLETE CONFIDENCE IN ABILITY OF JANUSCHKOWETZ TO HANDLE THIS SALE. END LIMITED OFFICIAL USE.

3. BEGIN UNCLASSIFIED: INTERNATIONAL HARVESTER AND JOHN DEERE HAVE BEEN ADVISED OF PERTINENT PASSAGES OF REFTEL AND HAVE PASSED SAME TO THEIR EUROPEAN OPERATIONS (VIENNA, AUSTRIA AND MANNHEIM, GERMANY RESPECTIVELY). CONTACT IS BEING MAINTAINED WITH CAGNE OF USDOC AND EXIM.

4. ACTION REQUESTED: SIPS WILL FOLLOW UP WITH WATT TO SEE LIMITED OFFICIAL USE

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IF HE CONTACTED WALKER AND WHETHER HE HAS CHANGED MIND IN ATTEMPTING TO PULL EXIM INTO PICTURE. ANY ADDITIONAL INFO THAT EMBASSY CAN LEARN REGARDING PKB'S CONSIDERATION OF VOLVO OFFER WOULD BE APPRECIATED. INTEREST AND SUGGESTIONS BY EMBASSY APPRECIATED BY WHITE AND USDOC. WILL KEEP EMBASSY ADVISED OF ANY DEVELOPMENTS AS FURNISHED BY WHITE. END UNCLASSIFIED.
KISSINGER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Sent Date: 17-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE010544
Document Source: CORE
Document Unique ID: 00
Drafter: BIC/OED/SIPS/JTHARDISTY/SG
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770017-1096
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770144/aaaabmut.tel
Line Count: 105
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Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: a4c3f2d8-c288-dd11-92da-001cc4696bcc
Office: ORIGIN COME
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 BELGRADE 8518
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 10-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3579125
Secure: OPEN
Status: NATIVE
Subject: PRODUCT OPPORTUNITY - AGRICULTURAL EQUIPMENT TO --- PKB
TAGS: BEXP, YO
To: BELGRADE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/a4c3f2d8-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009